



Down Payment Assistance Loan Program Description

The City of Rosemead’s Down Payment Assistance Loan Program (DPAL) is available to qualified applicant’s to receive up to \$70,000 in down payment/closing cost assistance. The qualification process includes income eligibility that can be determined from the table below:

Family Size	*DPAL (80% of median income)
1	\$45,650
2	\$52,200
3	\$58,700
4	\$65,200
5	\$70,450
6	\$75,650
7	\$80,850
8	\$86,100

**Updated annually – income based on household size as defined by the U.S. Department of Housing and Urban Development (HUD)*

The City of Rosemead can offer up to \$70,000 for increasing low income homebuyer’s down payment and/or assist with closing costs to aid the homebuyer in the purchase of their first home. The City does require that you provide a minimum of 3% toward the down payment of the home you ultimately purchase.

The loan provided by the City of Rosemead is designed to encourage homeownership for families who may not otherwise qualify to purchase a home. The terms of the loan includes a declining interest rate if the home is sold within the first ten (10) years of ownership. The interest is forgiven over time under the following formula:

0-2 years	5.0%
2 years and 1 day	4.5%
3 years and 1 day	4.0%
4 years and 1 day	3.5%
5 years and 1 day	3.0%
6 years and 1 day	2.5%
7 years and 1 day	2.0%
8 years and 1 day	1.5%
9 years and 1 day	1.0%
10 years	.5%
10 years and 1 day	0%



In addition, to ensure that participants in this program receive the benefit of the program, participants will agree to share equity in their home if they sell it to a non-qualified buyer at a price, which does not comply with the terms of the affordability covenant within the first 15 years of the loan. The equity sharing is as follows:

Program Loan/(Purchase Price + Qualified Capital Improvements) x Total Appreciation = Equity Share

If after 10 years you remain as the owner and occupant of the property you purchase all interest will be forgiven and after 15 years the covenant regarding the equity share will be removed. If at any time the participant ceases to occupy the home or is involved in criminal activity within the 30-year limit of the loan the loan will become due.

Currently the maximum sale price that has been established by HUD for the City of Rosemead is \$446,000 for single family homes and \$361,000 for condominiums and townhomes. The applicant must also have sufficient savings or resources to qualify for the first mortgage loan, as well as the minimum 3% down payment. Once the home is purchased, it must remain occupied by the first-time homebuyer until the City's loan is repaid.

There are also restrictive covenants recorded against the property which deal with Maintenance of the Property, Drug-related or Criminal Activity, and Overcrowding. The loan will become due and payable in the event of a default or death of homebuyer.

Should you wish to inquire further about these programs or request a pre-application for eligibility please call Marcy Marquez at (626) 569-2119 or you can email him at mmarquez@rosemead.org



CITY OF ROSEMEAD
PRE-APPLICATION
Mortgage Assistance and Home Purchase Programs

City of Rosemead Mortgage Assistance Program
Release of Information for Credit and Documentation

(I, We) the undersigned, hereby authorize release the City of Rosemead's Mortgage Assistance Program to obtain any information necessary to verify my eligibility for participation in the program. The Housing and Community Development Act of 1987 (42 U.S.C. 3543) and the National Affordable Housing Act of 1990 requires applicants for assisted programs to submit the Social Security numbers for each household member who is six years or older and for applicants to provide all information relating to their eligibility for participation in the program. Other uses of the information requested or obtained will be to protect the Government's financial interest and to verify the accuracy of the information that you provide to the City of Rosemead.

The information we obtain may include, but will not be limited to: Credit history, employment records, bank and depository accounts, mortgage history, escrow instructions, property appraisal reports and property insurance information. This information may be released to appropriate Federal, State, and local agencies, when relevant, and to civil, criminal, or regulatory investigators and prosecutors. However, the information will not be provided or disclosed to others outside of the City of Rosemead, except as permitted or required by law. Failure to provide the required information may result in the delay or rejection of your eligibility approval.

Authorization is hereby granted to use a photocopy of my signature to obtain information regarding the aforementioned items. (I, We) also permit the City of Rosemead to release such information to any third party who purchases the first loan. (I, We) acknowledge there shall be no responsibility incurred by the City of Rosemead, or any of its officers for having received or transmitted this information.

APPLICANT'S STATEMENT

All the information given in this application is true and correct to the best of my knowledge. I understand that you will confirm this information and retain the application whether or not the loan is approved. I hereby authorize the City of Rosemead and/or the Rosemead Housing Development Corporation to verify any credit status and any of the above information as a condition of this application.

Signature _____ Date _____

Printed Name _____

Signature _____ Date _____

Printed Name _____